



HARRY GWALA DEVELOPMENT AGENCY (PTY) LTD
2011/001221/07

Harry Gwala Farmers Market, Erf 2226
Portion 27 of the Farm Ellerton, IXOPO 3276
Website: www.hgda.co.za

BUDGET AND TREASURY – SUPPLY CHAIN MANAGEMENT

SPECIALISED SECURITY SERVICES FOR 36 MONTHS

BID No- HGDA 03-2025/26

CLOSING DATE:

CLOSING TIME:

NAME OF BIDDER:

POSTAL ADDRESS:

TELEPHONE NUMBER:

FAX NUMBER:

E- MAIL ADDRESS:

TENDER SUM (ALL INCLUSIVE) in words:

TENDER SUM (ALL INCLUSIVE) (numerical):

Mandatory Returnable

Bidders must attach the mandatory returnable documents to be considered for this bid

- Price (s) quoted must be firm and must be inclusive of VAT
- Price(s) quoted must be valid for at least ninety (90) days from date of your offer.
- The bid amount must be submitted to a separate page containing the letterhead of your business
- MBD 1, MBD 3.1, MBD 4, MBD 6.1(Must be completed to claim points), MBD 8 and MBD 9 must be fully completed and signed, an omission of MBD Forms, incomplete or not signed that bidder will be disqualified
- Certified ID(s) copies of company director(s) not older than 6 months
- Copy of current municipal account for all Director/s and Company (not older than 3 months) or copy of lease agreement from the relevant leasing authority. If the business is operated from the residence of one of the Director/s, an original affidavit, certified, must be submitted stating the address of the premises, preferably from your local SAPS office.

The evaluation of bids will be done in three stages in the following manner:

- First Stage - Pre-qualification (Mandatory Documents)
 - Second Stage - Functionality
 - Third - Price and Preference Specific Goals
- ❖ 80/20 Preferential Point system in terms of the 2022 Preferential system will apply and points will be awarded based on the entity's specific goals, that is on ownership and RDP goals.

PREFERENCE GOAL	80/20	Documents required for verification
GOAL 1 - Ownership – Maximum points	10	
Business who are 51% or more owned by black person	3	ID copy of Director or CSD detailed report Or
Business owned less than 51% by black person	1	CIPC Registration Certificate (Companies and Intellectual Property Commission)
Business who are 51% or more owned by black women	3	ID copy of Director or CSD detailed report Or
Business owned less than 51% by black women	1	CIPC Registration Certificate (Companies and Intellectual Property Commission)
Business who are 51% or more owned by black youth	2	ID copy of Director or CSD detailed report Or
Business owned less than 51% by black youth	1	CIPC Registration Certificate (Companies and Intellectual Property Commission)
Business who are at least 51% owned by disabled person	2	Attach proof from a registered doctor/physician for a bidder to obtain full points
GOAL 2 – RDP – Maximum points	10	

Business falls under the SMME category – EME or QSE	3	Certified copy of B-BEEE Certificate / Sworn Affidavit
Promotion of business located within Harry Gwala Development Agency	2	<ul style="list-style-type: none"> - Preferred address on detailed CSD Report - Municipal account not older than 90 days for the director. - Lease agreement and affidavit if you are leasing or; - Affidavit if you are residing in rural area
Promotion of business located within KZN province.	4	<ul style="list-style-type: none"> - Preferred address on detailed CSD Report - Municipal account not older than 90 days for the director.
Promotion of business located in South Africa outside KZN Province	1	<ul style="list-style-type: none"> - Lease agreement and affidavit if you are leasing or; - Affidavit if you are residing in rural area

NB: No quotations will be considered from persons in the service of the state or persons who owe rates, services, and taxes to any Municipality for a period longer than 90 days.

TENDER ADVERT



HARRY GWALA DEVELOPMENT AGENCY (HGDA) (Pty) Ltd
2011/001221/07

Harry Gwala Farmers Market, Erf 2226
 Portion 27 of the Farm Ellerton, IXOPO 3276
 Website: www.hgda.co.za

HARRY GWALA DEVELOPMENT AGENCY: INVITATION TO TENDER

The Harry Gwala Development Agency (Pty) Ltd hereby invites suitably qualified, experienced and reputable Service Providers for supply and delivery of items responsive to the below project. The Bid documents can be downloaded from the Harry Gwala Development Agency (Pty) Ltd website www.hgda.co.za.

BID NO.	PROJECT DESCRIPTION	COMPULSORY BRIEFING	CIDB GRADING	AVAILABILITY OF TENDER DOCUMENTS	CLOSING DATE	TECHNICAL ENQUIRIES
HGDA 03-2025/26	Provision of security services for a period of 36 months (3 years)	22 September 2025 @14h00	None	16 September 2025 on the HGDA Website and e-tender portal	13 October 2025 @12h00	Corporate services Manager: Mr W Zwane Tel: 071 390 2328
HGDA 02-2025/26	Supply, delivery and installation of suspended ceiling	22 September 2025 @12h00	1GB		03 October 2025 @12h00	
HGDA 01-2025/26	Provision of payroll system with support and maintenance services for a period 36 months (3 years)	None	None		13 October 2025 @12h00	Financial Accountant: Ms P Nkosi Tel: 072 420 0652

BID SUBMISSION

Sealed Bid Documents with the **Bid Number and description of the bid** endorsed on the envelope with the **bidders details** clearly indicated may be couriered at least 2 days before closing date to avoid late delivery or be hand delivered and must be deposited in the **TENDER BOX located at the Reception Area, Harry Gwala Development Agency, Farmers Market, Portion 27 of the Farm Ellerton, Erf 2226, Ixopo 3275**, not later than aforementioned dates where after, bids will be opened in public. The scope of work and bid requirements is stipulated in the bid documents.

The evaluation of bids will be done in the following stages:

First Stage - Functionality - Second Stage - Price and Specific Goals

Each bidder must score the required minimum score for functionality to be considered for the second stage. The 80/20 Preferential Point system in terms of the 2022 Preferential system will apply and points will be awarded based on the entity's specific goals that is on ownership and RDP goals. (MBD 6.1 must be completed by the tenderer to claim points.) **Ownership = 10 points and RDP = 10 points. The detailed table for specific goals will be on the tender document.**

Harry Gwala Development Agency (Pty) Ltd does not bind itself to accept the lowest or any bid and reserves the right to accept the Bid in whole or part, at the rates quoted.

Late, telegraphic, e-mailed or faxed bids will not be considered.

Tenderers that submit tenders by courier retain the responsibility of ensuring that tender documents submitted are placed in the tender box. This is not the responsibility of the Municipal Entity. Tenders are to adhere to the SCM Policy of Harry Gwala Development Agency.



MRS TT THIYANE-MAGAQA
ACTING CHIEF EXECUTIVE OFFICER
Notice Number: 07-25/26

1. INTRODUCTION

The Harry Gwala Development Agency (PTY) LTD is an entity of the Harry Gwala District Municipality established to serve as a special purpose vehicle to augment economic growth of the district, thereby realising the developmental trajectory of the District in the Provincial, National and broader context.

2. PURPOSE AND OBJECTIVE

To appoint a Professional Specialised Security Company for the provision of security services (security officers) and CCTV Cameras including monitoring and back up services for the premises of the Harry Gwala Development Agency site for a period of 36 months.

3. SCOPE AND EXTENT OF WORK (TERMS OF ENGAGEMENT/SPECIFIC SYSTEM REQUIREMENTS)

a. Security Services

Access Control: shall include but not limited to monitoring entering and exiting of vehicles, employees/pedestrians into Harry Gwala Development Agency premises including the unauthorized removal of Harry Gwala Development Agency assets and property. Always explain to visitors that firearms are not permitted and that they must be declared when entering Harry Gwala Development Agency premises. Once declared, the Security Officers must ensure that all firearms declared are kept in the gun safe (except for law enforcement officials), and a register is signed for such. Mounted firearm safes must be provided by the service provider. Access control includes recording of recording HGDA vehicles and odometer reading on exit and entry.

Additionally, the scope includes the immediate reporting of incidents and to record a suspicious or abnormal activity surrounding the premises to be guarded, as well as to make recommendations towards the improvement of access control and security of the Harry Gwala Development Agency. Reports to be submitted to the Chief Executive Officer.

Patrolling duties: shall include but not limited to the physical patrolling of Harry Gwala Development Agency premises, report any incidents and/or deviations and ensure they are recorded in the Occurrence Book. Intervals between patrols must not be longer than 30 minutes including the guarding system patrols. Patrols must not be done in the same sequence/duration. Times and routes must be rotated. During patrols the Security personnel should ensure that premises are adequately locked and secured, ensuring that items of relevance are recorded in the occurrence book. Security Officers to establish trackable check-in points on the site.

Guarding duties: shall include but not limited to physical guarding of Harry Gwala Development Agency premises, assets and properties.

Protection duties: shall include but not limited to escorting all personnel visiting Officials. All visitors entering the premises to complete the visitors register. Protection may also be required for and extended to officials of the agency on an adhoc basis at the request and authorization of the Chief Executive Officer.

Monitoring: Monitor camera footage and report on incidents and activity, be able to retrieve footage evidence and ensure equipment is in optimal condition. Work together with internal access control officials on matters pertaining to the control room and camera recordings. The functionality of the cameras to be put and costed into the BOQ.

Key Control: This includes safekeeping of keys, opening and locking of entrances. Harry Gwala Development Agency shall hold the service provider responsible for losses that occur because of lack of key control by the Security Officers.

Alarm system & response: shall include but not limited to arming and disarming the building on agreed timeframes, responding to raised alarms & immediately notify Site Supervisor, who must immediately notify the designated Harry Gwala Development Agency Official.

Incidents Management: Conduct investigations within 3 days and submit report within 30 days. This includes theft/loss/damages.

Occurrence books: every completed/full book to remain Harry Gwala Development Agency property

Flag management/ control: To ensure safe-keeping, to raise and draw the relevant flags at any given premises as assigned, by the prescribed times.

4. PROVISION OF SECURITY OFFICERS

All Security Officers will be required to be in Official Security uniform at all times and will be required to conduct searches and manage registers at entrance points within the designated areas.

➤ LIST OF REQUIRED GAURDS

SITE	NO. OF GUARDS	SECURITY GRADE	SHIFT HOURS
Harry Gwala Development Agency Offices: ERF 2226 Portion 27Ellerton Farm Ixopo, 3276	6 Guards (armed and unarmed) • 3 Night • 3 Day	B and C/D and provide Proof of PSIRA registration of each Guard	Night : 18h00 – 06h00 Day : 06h00 – 18h00

SHIFT HOURS

Night: 18h00 – 06h00 - Day : 06h00 – 18h00

MANDATORY REQUIREMENTS

- Failure to complete all supplementary information and the returnable schedule will automatically disqualify the bidder.
- The Service Provider will conduct business on a 24-hour basis 6am – 6pm and 6pm – 6am Mondays to Sundays.
- Be registered with Private Security Regulating Industry (PSIRA)
- Ensure proof of registration with the Department of Labour (WCA)
- Ensure proof of registration with the Provident Fund
- Ensure copies of firearm licences be submitted with bid submission
- ICASA license for the use of radio frequency to be submitted with bid document
- Proof of COIDA
- UIF Compliance letter
- Indemnity Insurance not less than R5 million

Remuneration of Security Personal Salaries

All security personnel must be remunerated as per the latest basic wage agreement that is determined by the Bargaining Council for the Private Security Sector. Security Officers must not earn less than the below reflected basic salary scales and must not exceed 48 hours of work per week. All Sundays, Public Holidays and additional hours worked are calculated as overtime as determined by the Bargaining Council for the Private Security Sector. Annual bonuses and annual leave pay must be equivalent to the basic monthly salary scale.

Basic Monthly Salary Scales for Security Employees commencing from 2025/03 for area 3, which is subject to change, as is determined by Bargaining Council for the Private Security Sector

- **The following allowances must be paid as determined by Bargaining Council for the Private Security Sector.**
- Hospital Cover
- Night Shift Allowance

- Special Allowance is paid per shift basis and is paid to Mobile Security Officers, Armed Security Officers, Armed Response Officers, National Key Point Officers & Control Centre Operators.
- **UIF & Provident Fund**
All Security personnel must be registered for UIF & Provident Fund as of the 1st day of engagement of their employment and payments of contributions must be kept up to date to ensure compliance.
- **Tools of trade/PPE**
All Security personnel must be equipped with full uniform, toner/batten, pepper spray, handcuffs, hand radio, torch and firearm where required, CCTV Footage/Camera monitoring and activation of camera footage on CEO's Office.

FAILURE TO COMPLY WITH THE ABOVE CONDITIONS IN ALL RESPECTS WILL RESULT IN THE TENDER BEING DEEMED NON-RESPONSIVE

5. REQUIREMENTS FOR SECURITY OFFICERS AND SUPERVISORS

It is the responsibility of the service provider to ensure that the security personnel in his/her service and especially those deployed for the rendering of this service, always meet the following requirements:

- Security officers must be at a level of Grade B/C/D and supervisors must be at level of Grade C
- Security officers must be able to communicate, read and write in English and IsiZulu
- Security personnel must be physically and medically fit
- Security officers may not be younger than 18 years of age.
- Security officers must have a good grounding in their post descriptions and duties
- Monitoring the performance of security guards must be done by the service provider.
- One (01) site supervisor should be available at all times to do overall supervision and conduct night visits/ patrol on-site.
- Security officers must have undergone and passed formal security training course, and must have security clearance as issued by SAPS
- The guard on duty at the agency site must fill in a daily log sheet indicating the shift start time and shift end time
- Record inspection results and activities on hourly basis
- Safeguard vehicles and equipment on site
- Safekeeping of vehicle and office keys and presenting them to authorised personnel only.

- Monitor and authorise entrances and departures of visitors to prevent the unauthorised removal or theft of items. Recording of personal details of visitors
- Escorting visitors to offices on arrival
- Report all emergencies and possible illegal activities to the designated managers.
- Ensure that no unauthorized person enters the premises.
- Patrol the facilities and parameters of the site.
- All security officers must wear PSIRA cards
- Supervisors and security must be registered as security officers as required by the legislation
- Supervisors and security officers must sign a declaration that they will refrain from any action which may lead to destruction in HGDA activities and its operation

6. FUNCTION OF THE SERVICE PROVIDER:

- Ensure that premises and guards be visited and inspected during a shift period excluding shift changes. The visit must be entered into the logbook of the guard
- Report any emergencies and possible illegal activities to HGDA Control Room immediately.
- Control and supervise all personnel on duty
- Ensure that personnel are at the site on time, in correct uniform and in possession of the necessary equipment
- Ensure that registers are up to date and available for inspection
- Submit a monthly report to corporate services manager.
- Make recommendations to Law Enforcement Officials with regard to improvement or preventative measures with regard to security issues relating to the site
- Ensure that a supervisor is available at all times
- Provide safe in the premises for keeping arms.
- Set up the Main Control Room for Cameras

7. SECURITY PERSONNEL REQUIRED

- a. One (01) Site Supervisor to do overall supervision and conduct night visits/ patrol on-site.
- b. All other security officers must be at an acceptable grade, minimum grade D.

8. FUNCTION OF GUARDS:

The guard on duty at the agency site must fill in a daily log sheet indicating the following:

- a. Shift start time
- b. Shift end time
- c. Visitors to the site – entrance and exit times
- d. Inspections from Managers and Law Enforcement Officials.
- e. Record inspection results and activities on hourly basis.
- f. Safeguard vehicles and equipment on site
- g. Safekeeping of vehicle and office keys and presenting them to authorised personnel only.
- h. Monitor and authorise entrances and departures of visitors to prevent the unauthorised removal or theft of items. Recording of personal details of visitors
- i. Escorting visitors to offices on arrival
- j. Report all emergencies and possible illegal activities to the designated managers.
- k. Ensure that no unauthorized person enters the premises.
- l. Patrol the facilities and parameters of the site

9. ADMISSION CONTROL REGISTER OR ADMISSION FORMS

The purpose of the admission control register of forms is to always have information available regarding persons and vehicles admitted to the site within a specific period in case occurrences should take place which might lead to judicial enquiry.

Visitors register/admission control forms:

These visitor registers must be completed correctly and legibly by the security guard/officer on duty and shall make provision for the following:

- Date of visit
- Admission and exit times of the visitor to and from the site
- Surname and initials of the visitors
- Contact Details

- Purpose of visit
- Brand, calibre and number of firearm or any dangerous objects on visitor's possession (if any).
- Signature of visitor

10.DAMAGES TO THE STATE PROPERTY AND ASSETS (AND STOLEN ASSETS)

- a. The staff of the contracted security company must be able to follow the basic procedures immediately when damage or loss to the state property or assets is detected.
- b. The Supervisors must have the ability to investigate and furnish the respective report (i.e. incident report) to the department.
- c. Such detected damage or loss to property or assets including the stolen assets must be reported to HGDA Security Manager immediately.
- d. The service provider will be held liable for any damage of loss suffered by HGDA, as a result of the service provider's own or his/her employees' negligence or deliberate intent.

PRICE OFFER SCHEDULE OF QUANTITIES (detailed offer to be made on Company Letterhead)

DESCRIPTION OF SERVICE	COST ESTIMATE
(Price as per specification and rendering of security services at HGDA show break down cost)	
Add 15% VAT	
TOTAL	

NB. Bidders are requested to qualify their rates by attaching a breakdown of cost.

N.B. Price quotation must be valid for 90 days from the date of closing.

B. SCOPE OF WORK SURVEILLANCE CAMERAS

b.1. MAIN SITE

- Monthly inspections and reporting to the Security Manager in writing
- Software updates must be done when available.
- Set up the Main Control Room for Cameras
- The installed system must be linked to 2 Cell phones which numbers of the cell phones shall be provided by the Municipal Entity. • Camera feeds for the site to Main Control Room.

b.2. TRAINING

The Service Provider shall be required to train 2 (two) officials who shall be identified by the Harry Gwala Development Agency on general operations of the system.

11. DELIVERABLES

Signing of Service Level Agreement and Contract with the Harry Gwala Development Agency

The payment of Security Officers must be in line with the Bargaining Council guidelines for the Private Security Industry and verification must be provided on submission of valid tax invoice. The provision of security management for the Harry Gwala Development Agency The security firm will be responsible for providing electronic tag system to monitor security officers on site, protective clothing (PPE), mechanical restraints equipment, security force tools (tonfa, metal detectors, pepper spray, handcuffs, handheld 2 radios and firearms) including name tags for all the security guards deployed to the Harry Gwala Development Agency premises.

All firearms used in the Harry Gwala Development Agency must be handgun being a 9mm Pistol 9 x 19mm.

12. EXPECTED OUTCOMES

The security firm is expected to provide Specialised security management in the Harry Gwala Development Agency premises.

13. PROJECT TIMEFRAME

The contract is for the period of 3(three) years commencing from the date awarded but can be terminated when there is proof of underperformance or substandard.

14. EVALUATION CRITERIA

Bidders will be evaluated on 3 stages:

Stage 1: Pre-Qualification

Stage 2: Functionality Assessment

Stage 3: Financial Offer and Preference Points

STAGE 1

PRE-QUALIFICATION

All compulsory documents must be submitted, if not, bidder will be deemed non-responsive.

- Certified Copy of PSIRA Registration Certificate and Letter of good standing which must not be older than 3 months for company and each director
- Certified Copy of Security Bargaining Council Registration Certificate and Letter of good standing which must not be older than 3 months
- Certified Copy of Medical Aid Fund Registration and Letter of good standing which must not be older than 3 months
- Certified Copy of Private Security Sector Provident Fund Letter of good standing which must not be older than 3 months
- Certified Copy of Certificate of Compliance with the Department of Labour for Unemployment Insurance Fund Letter of good standing which must not be older than 3 months
- Certified Copy of Registration with COIDA (Compensation for Occupational Injuries and Diseases Act)
- Valid Certified Copy of proof of Registration with ICASA for radio communication or service providers service providers ICASA approval certificate who is leasing out the communication devices (Valid ICASA License) together with MOU.
- Confirmation of cover / Valid Public Liability Insurance Contract for the value of R5 000 000 valid at the time of closure
- Bidders must submit certified copies of firearm license from SAPS and police clearance for each director or to whom fire arm is to be issued supported by covering letter indicating which firearm can be used in Harry Gwala Development Agency are of jurisdiction, license must be in name of user listed on PSIRA as employee or in the name of the bidder/company or director. The minimum number of firearms is 2 including 1 x shotgun or high caliber gun, failure to meet the above will lead to disqualification. Noting that police clearance must be submitted for all directors including those to whom a firearm will be issued inclusive of corresponding license.
- For Procurement above R10 000 000, the Tenderer must submit if required by Law to prepare Annual Financial Statements for auditing, their audited annual financial statements
 - (a) for the past 3 years or
 - (b) since their establishment if its established during the past 3 years

If the tenderer is not required by law to prepare annual financial statement, they must submit a Public Interest (PI), whereby the PI score is between 100 – 350 points, then the Bidder must submit independently reviewed annual financial statements and if the PI score is above 350 bidders must submit audited annual financial statements

- Evidence of the fully functional office with administration section and an active radio control room in Ixopo, or a lease agreement or rates statement to show existence of an office and page of the latest signed occurrence book of the control room alternatively via certified letter on company letterhead indicating the intention to establish an office.

STAGE 2

FUNCTIONALITY (100)

With regards to functionality the following criteria will be applicable and the maximum score of each criterion are indicated in brackets.

FUNCTIONAL CRITERIA	POINTS ALLOCATION
Proof of experience (30)	<p>Bidders must submit proof of experience where similar services were provided. Bidders must submit an appointment letter/order with a signed corresponding reference letter for each project to claim points. The reference letters must be signed by project manager or a person at Head of Department level (30)</p> <p>5 and above appointment letter/orders with reference letters = 30</p> <p>4 appointment letter/orders with reference letters = 25</p> <p>3 appointment letter/orders with reference letters = 20</p> <p>2 appointment letter/orders with reference letters = 15</p> <p>1 appointment letter/orders with reference letters = 10</p> <p>No appointment or reference letter = 0 points</p>
Proof of experience monitoring (cctv cameras) (30)	<p>Bidders must submit proof of experience where similar services were provided. Bidders must submit an appointment letter/order with a signed corresponding reference letter for each project to claim points. The reference letters must be signed by project manager or a person at Head of Department level or within private sector (30)</p> <p>5 and above appointment letter/orders with reference letters = 30 points</p> <p>4 and above appointment letter/orders with reference letters = 25 points</p> <p>3 and above appointment letter/orders with reference</p>

	<p>letters = 20 points</p> <p>2 and above appointment letter/orders with reference letters = 15 points</p> <p>1 and above appointment letter/orders with reference letters = 10 points</p> <p>No appointment or reference letter = 0 points</p>
Financial viability (20)	<p>Bidders must attach a Bank Rating letter from a Financial Institution to a value of R1 000 000, points will be allocated as follows: (20)</p> <p>Bank Letter with code C rating = 20 points</p> <p>Bank Letter with code D rating= 10 points</p> <p>Bank Letter with code E rating = 5 points</p>
Local Office with 24-hour control room reactive unit & Technical Support Unit or intention to establish (20)	<p>A copy of latest water statement issued by Harry Gwala District Municipality that must not be older than 2 months or a copy of a lease agreement for an office in Ixopo</p> <p>Letter with the intention of establishing local office = 20 points</p>

A bidder that scores less than 70 points out of 100 in respect of “functionality” will be regarded as non-responsive and will be disqualified. No further evaluation will be done for price and specific goals.

VERY IMPORTANT

IF ANY OF THE ABOVEMENTIONED DOCUMENTS ARE NOT SUBMITTED OR COMPLETED IN ENTIRELY, THE BIDDER WILL BE DEEMED TO BE NON-RESPONSIVE AND BE DISQUALIFIED

STAGE 3 – PRICE AND PREFERENTIAL

The 80/20 preferential point system will be applied where 80 points will be allocated for price and 20 points for preferential goals as follows:

- Preferential Goal 1
- Preferential Goal 2

Each bidder must score the required minimum score for functionality to be considered for the second stage. 80/20 Preferential Point system in terms of the 2022 Preferential system will apply and points will be awarded based on the entity's specific goals that is on ownership and RDP goals.

15. BILL OF QUANTITIES (BOQ)

CONTENTS:

- 1. Preamble**
- 2. Grand Summary**
- 3. Bill of Quantities (BOQ)**

PREAMBLE TO BILL OF QUANTITIES (BOQs)

1. Objectives:

The objectives of the Bill of Quantities (BOQs) are:

- (a) To provide sufficient information on quantities of Works to be performed to enable bids to be prepared efficiently and accurately; and
- (b) When a Contract has been entered into, to provide a priced Bill of Quantities (BoQs) for use in the project.

In order to attain these objectives, Works have been itemized in the Bill of Quantities (BOQs) in sufficient detail to distinguish between the different classes of Works, or between Works of the same nature carried out differently or in other circumstances which may give rise to different considerations of cost.

2. The Bills of Quantities (BOQs) for the Works comprise the following:

Preamble to Bill of Quantities

List of principal Quantities

The quantities of work as measured and accepted and certified for payment in accordance with the Conditions of Contract, and not the quantities stated in the Bill of Quantities, will be used to determine payments to the Contractor. The validity of the Contract shall in no way be affected by differences between the quantities in the Bill of Quantities and the quantities certified for payment.

For the purposes of this Bill of Quantities, the following words shall have the meanings hereby assigned to them:

Unit: The unit of measurement for each item of work as defined in the Standardized Project or Particular Specifications

Quantity: The number of units of work for each item

Rate: The payment per unit of work at which the Bidder bids to do the work. Should be quoted in ZAR currency only.

Amount: The quantity of an item multiplied by the bided rate of the (same) item. Should be quoted in ZAR currency only

Sum: An amount bidding for an item, the extent of which is described in the Bill of Quantities, the Specifications or elsewhere, but of which the quantity of work is not measured in units. Should be quoted in ZAR currency only

The units of measurement indicated in the Bill of Quantities are metric units. The following abbreviations may appear in the Bill of Quantities:

No = No

% = Percentage

Prov Sum = Provisional Sum

Grand Summary

The appointed Service provider shall deploy security officers in line with site specifications below:

- Day shift: 06h00 - 18h00 (Mondays to Fridays)
- Day shift: 06h00 - 18h00 (Weekends and Public holidays)
- All night shift: 18h00 - 06h00

Equipment required when officers are deployed on the Harry Gwala Development Agency

- Security officers deployed must be armed where stipulated.
- All security officers must wear PSIRA cards
- All security officers must have access to means of communication (Two way or other)
- All security officers must be equipped with batons, hand cuffs and torches
- Site must be equipped with the relevant security registers (Visitors Registers, Motor Vehicle Registers, Asset Registers and Occurrence Books)

ITEM	DESCRIPTION	UNIT	QUANTITY	RATE	AMOUNT
1	Security Services				
	Security Guards with Grade D – 2 unarmed day and Grade C 1 armed day	3			
	Security Guards with Grade D - 2 unarmed night and Grade C 1 armed night	3			
	Monitoring and response for 36 months				
				SUB-TOTAL	
				VAT	

				TOTAL	
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Escalation percentage _____

CALCULATION OF TOTAL COST		
YEAR 1 (vat inclusive) (TOTAL MONTHLY COST MULTIPLY BY 12)	YEAR 2 (vat inclusive) (TOTAL MONTHLY COST MULTIPLY BY 12)	YEAR 3 (vat inclusive) (TOTAL MONTHLY COST MULTIPLY BY 12)
R	R	R
TOTAL BID AMOUNT FOR 36 MONTHS		R

16.FEATURES REQUIRING SPECIAL ATTENTION

All Annexure to these Terms of Reference that require completion by the bidder must be completed in full and returned with the bid. Failure to do so may disqualify the bid.

17.TERMS AND CONDITIONS OF THE PROPOSAL

Appointment will be made in terms of the Harry Gwala Development Agency's Procurement Policy.

18.NON-APPOINTMENT

The Harry Gwala Development Agency reserves the right not to make an appointment should it find that bidding parties do not meet the specified criteria

19.COMPLETION

Projects will not be paid for unless the required services have been correctly delivered.

20. COURTESY

In dealings with the municipal entity internal structures, the bidder is required to deal with discussions and disputes with deliberate courtesy and understanding, in close liaison with the Harry Gwala Development Agency.

Prior to the commencement of works, the successful bidder shall arrange through the office of the Chief Executive Officer to be introduced to the appropriate Harry Gwala

Development Agency structures and to be briefed upon any sensitivities that need to be observed.

21. GENERAL

Tender offers will only be accepted on condition that:

- a. The tender offer is signed by a person authorized to sign on behalf of the Tenderer
- b. A Tenderer who submitted tenders as joint venture has included an acceptable Joint Venture Agreement with his tender.
- c. The Tenderer or any of its principals, directors or managers is not employed by the state or any municipality and municipal entity.
- d. Quotation/ proposal must be on a company letterhead
- e. Bids submitted are to hold good for a period of 90 (ninety) days and must be inclusive of VAT,
- f. The enclosed forms MBD 4, MBD 8 & MBD 9 must be scrutinized, completed and submitted together with your Bid.
- g. **NB: No Bid will be considered from persons in the service of the state**
- h. Proof of company registration
- i. A valid tax clearance certificate is included with this tender or tax compliance status with the pin.
- j. In case of a bidder owning a property, they must provide a municipal statement confirming status of municipal accounts not older than 3 months (Bidders must not be in arrears for more than 90 days)
- k. In case of a bidder leasing the property, they must attach a lease agreement & letter from landlord stating that rent is up to date. The letter must not be older than 3 months.
- l. In case of the bidder operating in an area that doesn't pay rates, they must attach a sworn affidavit stating that rates are not paid in that area. The affidavit must not be older than 3 months.
- m. If the bidder is staying with parents, spouse or any family relative in an area where rates are paid (an affidavit from the bidder or signed letter from the property owner stating that the bidder is not responsible for municipal accounts must be attached). Affidavit or letter must not be older than 3 months
- n. The Tenderer or any of its principles is not listed on the register of Tender Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with public sector.
- o. The tenderer has not abused the Employers' Supply Chain Management System or has failed to perform on any previous contract and has been given a written notice to this effect; and
- p. The Employer is satisfied that the Tenderer or any of his principles has not influenced the tender offer and acceptance by the following criteria:
 - Having offered, or promised or given a bribe or other gift remuneration to any person in connection with the obtaining or execution of this Contract.
 - Having acted in fraudulent or corrupt manner in obtaining or executing of this contract.

- Having approached an officer or employee of the Employer or the Employers' Agent with the objective of influencing the award of a Contract in the Tenders' favor
- Having entered into any agreement or arrangement, whether legally binding or not, with any other person, firm or company to refrain from Tendering for this Contract or as to the amount of the Tender to be submitted by either party; and
- Having disclosed to any other person, firm or company other than the Employer, the exact or approximate amount of his proposed Tender.

In the event of any of the above, the Harry Gwala Development Agency may, in addition to using any other legal remedies, repudiate the Tender offer and acceptance and declare the Contract invalid should it have been concluded already.

- The Harry Gwala Development Agency's Supply Chain Management Policy shall apply;
- The Municipal Entity does not bind itself to accept the lowest or any Bid and reserves the right to accept the Bid as whole or in part, at the rates quoted

FAILURE TO COMPLY WITH THE ABOVE CONDITIONS IN ALL RESPECTS WILL RESULT IN THE TENDER BEING DEEMED NON-RESPONSIVE. IF THE PRICE OFFERED IS NOT MARKET RELATED, THE HARRY GWALA DEVELOPMENT AGENCY MAY NOT AWARD THE CONTRACT TO THAT TENDERER AND MAY NEGOTIATE FOR MARKET RELATED PRICE WITH THE TENDERER, FAILING WHICH, NEGOTIATE WITH THE NEXT PREFERRED TENDERER OR TENDER MAY BE CANCELLED.

22. DOCUMENTATION

The proposal document submitted must include all the information deemed necessary to evaluate your submission on the bases stipulated in this document. **The additional forms appended to this document must also be included in the submission.**

This document may be detached and re-bound to ensure neatness and to also avoid the risk of accidentally losing of loose sheets. In the process of doing that, please be careful not to lose any of the pages of this document because should that be the case, your proposal may be regarded as incomplete

RELEVANT EXPERIENCE

The Bidder shall enter in the spaces provided below a list of relevant recent experience

Employer (Name, Tel. No. or Fax No.)	Details of Project (Attach ref letters)	Value of Work (fees)	Year

CERTIFICATE OF AUTHORITY

Indicate the status of the Tenderer by ticking the appropriate box hereunder. The Tenderer must complete the certificate set out below for the relevant category.

(I) COMPANY	(II) CLOSE CORPORATI ON	(III) PARTNERSHI P	(IV) JOINT VENTURE	(V) SOLE PROPRIETOR

CERTIFICATE FOR COMPANY

I, _____ Chairperson of the
Board of Directors of _____

_____ hereby confirm that by resolution of the Board (copy attached) taken on _____
_____ (insert date) that Mr./Ms _____
_____ acting in the capacity of _____ is authorize
to sign all documents in connection with this tender and any contract resulting from it on
behalf of the company.

Chairman: _____

As Witnesses: 1 _____
2 _____

Date: _____

(II) CERTIFICATE FOR CLOSE CORPORATION

We, the undersigned, being the key members in the business trading as _____

hereby authorize Mr./Ms _____

acting in the capacity of _____

to sign all documents in connection with the tender for Contract No _____
and any contract resulting from it on our behalf.

NAME	ADDRESS	SIGNATURE	DATE

**Note : This certificate is to be completed and signed by all of the key members upon
whom rests the direction of the affairs of the Close Corporation as a whole.**

(III) CERTIFICATE FOR PARTNERSHIP

We, the undersigned, being the key partners in the business trading as,

hereby authorize Mr./Ms _____
 acting in the capacity of _____
 to sign all documents in connection with the tender for Contract No _____
 and any contract resulting from it on our behalf.

NAME	ADDRESS	SIGNATURE	DATE

Note: This certificate is to be completed and signed by all of the key partners upon whom rests the direction of the affairs of the Partnership as a whole.

(IV) CERTIFICATE FOR JOINT VENTURE

We, the undersigned, are submitting this tender offer in Joint Venture and hereby authorize Mr./Ms

_____, authorized signatory of the company,
 _____ acting in the capacity of lead
 partner, to sign all documents in connection with the tender offer for Contract No . _____
 _____ and any contract resulting from it on our behalf.

This authorization is evidenced by the attached power of attorney signed by legally authorized signatories of all the partners to the Joint Venture.

NAME OF FIRM	ADDRESS	AUTHORISING SIGNATURE, NAME AND CAPACITY
Lead partner		

--	--	--

Note : This certificate is to be completed and signed by all of the key partners upon whom rests the direction of the affairs of the Partnership as a whole.

(V) CERTIFICATE FOR SOLE PROPRIETOR

I, _____,
hereby confirm that I am the sole owner of the business trading as

Signature of Sole owner: _____

As Witnesses:

1. _____

2. _____

Date: _____

COMPULSORY ENTERPRISE QUESTIONNAIRE

The following particulars must be furnished. In the case of a joint venture, separate enterprise questionnaires in respect of each partner must be completed and submitted.

Section 1. Name of enterprise: _____

Section 2. VAT registration number, if any: _____

Section 3. CIDB registration number, if any: _____

Section 4. Particulars of sole proprietors and partners in partnerships.

Name*	Identity number*	Personal income tax number*

** Complete only if sole proprietor or partnership and attach separate page if more than three partners.*

Section 5. Particulars of companies and close corporations

Company registration number: _____

Close corporation number: _____

Tax reference number: _____

Section 6. Record in the service of the state

Indicate by marking the relevant boxes with a cross, if any sole proprietor, partner in a partnership or director, manager, principal shareholder or stakeholder in a company or close corporation is currently or has been within the last 12 months in the service of any of the following:

- | | |
|---|---|
| <input type="checkbox"/> a member of any municipal council | <input type="checkbox"/> an employee of any provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act 1 of 1999) |
| <input type="checkbox"/> a member of any provincial legislature | |
| <input type="checkbox"/> a member of the National Assembly or the National Council of Provinces | <input type="checkbox"/> a member of an accounting authority of any national or provincial public entity |
| <input type="checkbox"/> a member of the board of directors | <input type="checkbox"/> an employee of Parliament or a |

of any municipal entity

provincial legislature

- ☐ an official of any municipality or
municipal entity

If any of the above boxes are marked, disclose the following*:

* Insert separate page if necessary.

Name of spouse, child or parent	Name of institution, public offices, board or organ of state and position held	Status of service (tick appropriate column)	
		Current	Within last 12 months

Section 7.

Record of spouses, children and parents in the service of the state

Indicate by marking the relevant boxes with a cross, if any spouse, child or parent of sole proprietor, partner in a partnership or director, manager, principal shareholder or stakeholder in a company or close corporation is currently or has been within the last 12 months in the service of any of the following:

- | | |
|---|---|
| <input type="checkbox"/> a member of any municipal council | <input type="checkbox"/> an employee of any provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act 1 of 1999) |
| <input type="checkbox"/> a member of any provincial legislature | |
| <input type="checkbox"/> a member of the National Assembly or the National Council of Provinces | |
| | <input type="checkbox"/> a member of an accounting authority of any national or provincial public entity |
| <input type="checkbox"/> a member of the board of directors of any municipal entity | |
| | <input type="checkbox"/> an employee of Parliament or a provincial legislature |
| <input type="checkbox"/> an official of any municipality or municipal entity | |

If any of the above boxes are marked, disclose the following*:

Name of spouse, child or parent	Name of institution, public offices, board or organ of state and position held	Status of service (tick appropriate column)	
		Current	Within last 12 months

* Insert separate page if necessary.

The undersigned, who warrants that he/she is dully authorised to do so on behalf of the enterprise:

authorises the Employer to obtain a tax clearance certificate from the South African Revenue Services that my/our tax matters are in order;

- ii. confirms that neither the name of the enterprise or the name of any partner, manager, director or other persons, who wholly or partly exercises, or may exercise, control over the enterprise appears on the Register of Tender Defaulters established in terms of the Prevention and Combating of Corrupt Activities Act of 2004;

- iii. confirms that no partner, member, director or other person, who wholly or partly exercises, or may exercise, control over the enterprise, has within the last five years been convicted of fraud or corruption;
- iv. confirms that I/we am/are not associated, linked or involved with any other tendering entities submitting tender offers and have no other relationship with any of the tenderers or those responsible for compiling the scope of work that could cause or be interpreted as a conflict of interest; and
- v. confirms that the contents of this questionnaire are within my personal knowledge and are to the best of my belief both true and correct.

Signed: _____ Date: _____

Name: _____ Position: _____

Enterprise name: _____

C: RECORD OF ADDENDUM TO TENDER DOCUMENTS

I / We confirm that the following communications received from the Employer or his representative before the date of submission of this tender offer, amending the tender documents, have been taken into account in this tender offer.

ADD. No	DATE	TITLE OR DETAILS
1		
2		
3		
4		
5		

SIGNATURE: DATE

(Of person authorised to sign on behalf of the Tenderer)

PART A

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF MUNICIPALITY/ MUNICIPAL ENTITY)

BID NUMBER:	HGDA 03- 2025/26	CLOSING DATE:	13 October 2025	CLOSING TIME:	12h00
-------------	------------------------	---------------	-------------------------	---------------	-------

DESCRIPTION SPECIALISED SECURITY SERVICES FOR 36 MONTHS

THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).

BID RESPONSE DOCUMENTS MAY BE DEPOSITED
IN THE BID BOX SITUATED AT (STREET ADDRESS

Harry Gwala Development Agency, Reception Area,

Farmers Market, Portion 27 of the Farm Ellerton

Erf 2226, Ixopo 3275

SUPPLIER INFORMATION

NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
TAX COMPLIANCE STATUS	TCS PIN:		OR	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT <input type="checkbox"/> Yes <input type="checkbox"/> No		

[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3]
TOTAL NUMBER OF ITEMS OFFERED		TOTAL BID PRICE	R
SIGNATURE OF BIDDER	DATE	
CAPACITY UNDER WHICH THIS BID IS SIGNED			
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:		TECHNICAL INFORMATION MAY BE DIRECTED TO:	
DEPARTMENT	BTO	CONTACT PERSON	Mr W Zwane
CONTACT PERSON	Ms N Malunga	TELEPHONE NUMBER	071 390 2328
TELEPHONE NUMBER	083 345 8249	FACSIMILE NUMBER	N/A
FACSIMILE NUMBER	N/A	E-MAIL ADDRESS	Wavela.zwane@hgda.co.za
E-MAIL ADDRESS	Neliswa.malunga@hgda.co.za		

PART B
TERMS AND CONDITIONS FOR BIDDING

5. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR ONLINE**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

5. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
- 2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.
- 2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

5. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

- 3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?
☐ YES ☐ NO
- 3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA?
☐ YES ☐ NO
- 3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?
☐ YES ☐ NO
- 3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?
☐ YES ☐ NO
- 3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?
☐ YES ☐ NO

IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.

**NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID
INVALID.
NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.**

SIGNATURE OF BIDDER:
CAPACITY UNDER WHICH THIS BID IS SIGNED:
DATE:

**PRICING SCHEDULE – FIRM PRICES
(PURCHASES)**

NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED

DESCRIPTION	QUANTITY	AMOUNT
<div style="border: 1px solid black; border-radius: 15px; padding: 20px; text-align: center; width: fit-content; margin: 0 auto;"> COMPANY STAMP </div>		
	SUB-TOTAL	
	VAT (15%)	
	TOTAL	

CONDITIONS OF TENDER

- Price(s) quoted must be valid for at least ninety (90) days from date of offer for evaluation purposes.
- Price(s) quoted must be firm and include VAT
- Tenderers original valid tax clearance certificate must be attached.
- Tender original or certified B-BBEE Certificate must be attached to the document
- Tender documents signed by a person who does not have authority to sign will be disqualified.
- Tenderers who did not complete the compulsory questionnaire, who abuse the employer's supply chain management system will not be conceded
- Non-collusion affidavit to be executed by bidder and submitted with the bid.

DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state¹.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.

3 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

3.1 Full Name of bidder or his or her representative.....

3.2 Identity Number:

3.3 Position occupied in the Company (director, trustee, shareholder²).....

3.4 Company Registration Number:

3.5 Tax Reference Number.....

3.6 VAT Registration Number:

3.7 The names of all directors / trustees / shareholder's members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.

3.8 Are you presently in the service of the state? YES / NO

3.8.1 If yes, furnish particulars.

.....

.....

¹MSCM Regulations: "in the service of the state" means to be –

(a) a member of –

- (i) any municipal council;
- (ii) any provincial legislature; or
- (iii) the national Assembly or the national Council of provinces;

(b) a member of the board of directors of any municipal entity;

(c) an official of any municipality or municipal entity;

(d) an employee of any national or provincial department, national or provincial public entity or

constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);

(e) a member of the accounting authority of any national or provincial public entity; or

(f) an employee of Parliament or a provincial legislature.

² Shareholder” means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.

3.9 Have you been in the service of the state for the past twelve months? **YES / NO**

3.9.1 If yes, furnish particulars.....

.....

3.10 Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid?

.....

YES / NO

3.10.1 If yes, furnish particulars.

.....

.....

3.11 Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who May be involved with the evaluation and or adjudication of this bid?

YES / NO

3.11.1 If yes, furnish particulars

.....

3.12 Are any of the company's directors, trustees, managers, Principle shareholders or stakeholders in service of the state?

YES / NO

3.12.1 If yes, furnish particulars.

.....

.....

3.13 Are any spouse, child or parent of the company's director's trustees, managers, principle shareholders or stakeholders in service of the state?

YES / NO

3.13.1 If yes, furnish particulars.

.....

.....

3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract.

YES / NO

3.14.1 If yes, furnish particulars:

.....
.....

4. Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	State Number	Employee

5. DECLARATION

I, THE UNDERSIGNED (NAME).....

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 4 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 To be completed by the organ of state

(delete whichever is not applicable for this tender).

- The applicable preference point system for this tender is the 90/10 preference point system.
- The applicable preference point system for this tender is the 80/20 preference point system.
- Either the 90/10 or 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	100

- 1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.
- 1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

A maximum of 80 or 90 points is allocated for price on the following basis:

$$\begin{array}{ccc}
 \text{80/20} & \text{or} & \text{90/10} \\
 \\
 Ps = 80 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right) & \text{or} & Ps = 90 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)
 \end{array}$$

Where

- Ps = Points scored for price of tender under consideration
- Pt = Price of tender under consideration
- Pmin = Price of lowest acceptable tender

3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

3.2.1. POINTS AWARDED FOR PRICE

A maximum of 80 or 90 points is allocated for price on the following basis:

$$P_s = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right) \text{ or } P_s = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

P_{max} = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
 - (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
 - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.)

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
GOAL 1 - Ownership – Maximum points	10	
Business owned more than 50% by black person	3	
Business owned less than 50% by black person	1	
Business owned more than 50% by black women	3	
Business owned less than 50% by black women	1	
Business owned more than 50% by black youth	2	
Business owned less than 50% by black youth	1	
Business owned more than 50% by disabled person	2	
GOAL 2 – RDP – Maximum points	10	
Business falls under the SMME category – EME	3	
Promotion of business located within Harry Gwala District	4	
Promotion of business located within KZN province	3	
Promotion of business located in South Africa outside KZN Province	1	

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm.....

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM [TICK APPLICABLE BOX]

- ☐ Partnership/Joint Venture / Consortium
- ☐ One-person business/sole propriety
- ☐ Close corporation
- ☐ Public Company
- ☐ Personal Liability Company
- ☐ (Pty) Limited
- ☐ Non-Profit Company
- ☐ State Owned Company

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

- i) The information furnished is true and correct;

- ii) The preference points claimed are in accordance with the General³⁶ Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
- (a) disqualify the person from the tendering process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution, if deemed necessary.

.....
SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME.....

DATE:

ADDRESS:

.....

.....

.....

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
 - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
 - b. been convicted for fraud or corruption during the past five years;
 - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 4 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied). The Database of Restricted Suppliers now resides on the National Treasury's website(www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.	Yes <input type="checkbox"/>	No <input type="checkbox"/>

4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
Item	Question	Yes	No
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME)

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM TRUE AND CORRECT.

I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

MBD 9

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Municipal Bidding Document (MBD) must form part of all bids¹ invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
 - a. take all reasonable steps to prevent such abuse;
 - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
 - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

² Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for

⁴⁰
purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Municipality / Municipal Entity)

do hereby make the following statements that I certify to be true and complete in every respect:
I certify, on behalf of:

that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation;
 - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit, a bid;
 - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
 - (f) bidding with the intention not to win the bid.

8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

Annexure A

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT

NOTES

The purpose of this document is to:

- (i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and
- (ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter.

- The General Conditions of Contract will form part of all bid documents and may not be amended.
- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

TABLE OF CLAUSES

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General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.4 “Corrupt practice” means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
 - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.6 “Country of origin” means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 1.7 “Day” means calendar day.
 - 1.8 “Delivery” means delivery in compliance of the conditions of the contract or order.
 - 1.9 “Delivery ex stock” means immediate delivery directly from stock actually on hand.
 - 1.10 “Delivery into consignees store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
 - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
 - 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable.

Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bidding documents.
- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.25 "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.

- | | |
|--|--|
| 2. Application | <p>2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.</p> <p>2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.</p> <p>2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.</p> |
| 3. General | <p>3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.</p> <p>3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za</p> |
| 4. Standards | <p>4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.</p> |
| 5. Use of contract documents and information; inspection. | <p>5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.</p> <p>5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.</p> <p>5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.</p> <p>5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.</p> |
| 6. Patent rights | <p>6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.</p> |
| 7. Performance security | <p>7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.</p> |

- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
- (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
 - (b) a cashier's or certified cheque
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

**8. Inspections,
tests and
analyses**

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with

supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

- 8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

9. Packing

- 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

- 10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.
- 10.2 Documents to be submitted by the supplier are specified in SCC.

11. Insurance

- 11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.

12. Transportation

- 12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.

13. Incidental services

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
 - (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and

- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

14. Spare parts

14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
- (b) in the event of termination of production of the spare parts:
 - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

- 16. Payment**
- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.
- 17. Prices**
- 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.
- 18. Contract amendments**
- 18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
- 19. Assignment**
- 19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
- 20. Subcontracts**
- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
- 21. Delays in the supplier's performance**
- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23. Termination for default

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the Supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard

the intended penalty as not objected against and may impose it on the supplier.

23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

- (i) the name and address of the supplier and / or person restricted by the purchaser;
- (ii) the date of commencement of the restriction
- (iii) the period of restriction; and
- (iv) the reasons for the restriction.

These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

23.7 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

24. Anti-dumping and countervailing duties and rights

24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him

25. Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security,

damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

- 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

**26. Termination
for insolvency**

- 26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.

**27. Settlement of
Disputes**

- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 27.5 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
 - (b) the purchaser shall pay the supplier any monies due the supplier.

**28. Limitation of
liability**

- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
- 29. Governing language** 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
- 30. Applicable law** 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
- 31. Notices** 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
- 32. Taxes and duties** 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
- 33. National Industrial Participation Programme (NIP)** 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.